

Arizona Real Estate Advisory Board Meeting Minutes

Wednesday
April 24, 2019
10:00 a.m. - Noon
Arizona Department of Real Estate
Training Conference Room
100 North 15th Avenue Suite 201
Phoenix, Arizona 85007

- I. Call to Order – Nedra Halley, Chair
Chair Halley called the meeting to order at 10:00 am.

- II. Introductions & Welcome

Members present:

Nedra Halley, Chair
Charlie Bowles, Vice-Chair
Carla Bowen
Kim Clifton - telephonically
Bill Gray
Bruce Jacobs
Nicole LaSlavic
Justin Rollins- telephonically
D. Christopher Ward

Absent:

Karen Bohler

ADRE Representatives present:

Louis Dettorre, Deputy Commissioner (DC)
Carla Randolph, Assistant Commissioner Licensing Services/CIO AMS (AC)
Lancing Adams, Assistant Commissioner Licensing Services/CIO AMS
Abby Hansen, Chief of Staff

Public Present:

Larry Apple

Lenna Bien, The Agency RE, LLC

Susan Creedon, Tucson Territory Property Management LLC

Christie Dater

Stacie Dominguez, Cobb Property Management, LLC

Scott Drucker, Arizona Association of Realtors® (AAR)

Sophia Herrera, North West Property Management & Realty LLC

Henry Schubel, My Home Group Real Estate, LLC

David Swartz

III. Approval of January 23, 2019 Meeting Minutes

Chair Halley asked for a Motion to approve the January 23, 2019 Meeting Minutes. Upon a motion by Member Bowen, seconded by Vice Chair Bowles, the Minutes of the January 23, 2019 meeting were unanimously approved.

IV. Advisory Board Member Facilitator Reports;

- Member Gray received a call inquiring about whether a company that coordinates properties for short term rental websites, and receives a monthly fee for the service requires a license. The Department will check with the Audit and Investigations division and advise the Board. Member Bowen stated that her E&O insurance states that she is conducting property management anytime she is doing anything on a property.
- Member LaSlavic has an email that she will share with the Department, and asked that the ADRE respond to it.
- Member Jacobs had an inquiry regarding an individual that had been solicited by a California firm to purchase land, and was wondering if the company was legitimate. Member Jacobs did a simple review of the company and informed the individual that it appears to be legitimate, but suggested that they obtain comps.
- Member Bowen received a complaint regarding advertising signs on properties that referenced an inactive licensee. She asked them to submit their complaint to the Department.
- Member Clifton received a licensing question and referred them to the Department. In addition she has received complaints regarding agencies not disclosing LLC's.
- Member Rollins had an inquiry for the date and time of the next Advisory Board Meeting.

V. DC Dettorre introduced the Department's new Assistant Commissioner of Licensing Services/CIO Arizona Management System, Lancing Adams.

DC Dettorre provided a Department update;

- 1st 2019 issue of the ADRE Bulletin was released.
- The next Arizona Mexico Commission summit will be held June 26-28, 2019 at the J.W.Marriott, Phoenix Desert Ridge Resort. The Real Estate Committee will have a meeting on June 26th allowing for a Continuing Education opportunity offered by an Arizona approved school, Commercial Real Estate Seminars.
- A presentation that was given by Commissioner Lowe at the most recent Association of Real Estate License Law Officials (ARELLO) District 4 conference was presented to the Board.

Member Bowen asked if the Arizona Management System (AMS) has been rolled out to all agencies by Governor Ducey. Member Ward noted that it appears that ADRE was an early adopter of AMS, not all agencies have adopted AMS as fully as Real Estate. DC Dettorre stated that all Cabinet agencies have adopted AMS, and their adoption may be based on their size and complexity. Real Estate has worked diligently to integrate all aspects of AMS.

- DC Dettorre noted that there has not been a valid recovery fund claim for fiscal year 2019 to date.

Member Bowen asked for current statistics of Cease and Desist and/or disciplinary actions regarding residential property management. DC Dettorre stated he will try to obtain and provide those statistics.

Member Bowen stated that she feels that the lack of Recovery Fund requests is due to ADRE's oversight of property managers.

AC Randolph gave a brief recap of notable items in licensing, education and development services.

- Presented the licensing, education and development services statistics.
- The Education Advisory Committee has adopted a "classroom standard".
- A new education web based database was rolled out.
- Two new Licensing Specialists were hired.
- One new Development Services employee was hired.

Member Bowen mentioned a concern that was identified in her area, Navajo County. She indicated that replats are not being sent in to ADRE, she has contacted the municipalities and directed them to ADRE. AC Randolph noted that

it is the responsibility of the developer. Member Bowen asked ADRE to followup with the county.

Chair Halley asked if continuing education will be updated. AC Randolph stated that the courses are all current, and that per statute outdated information may not be taught. DC Dettorre noted that all courses are approved by ADRE for four years, and the content could become outdated during that period.

Member Ward stated that ADRE is really helping the real estate industry with its efficient processing time.

VI. Call to the Public

Member of the Public Henry Schuber asked where a procedure question should be directed. His question; how do you verify an offer was actually delivered?

Member Bowen stated that the residential contract requires proof that the offer was presented. If proof is not provided a code of ethics violation may be filed with the Arizona Association of REALTORS® in writing. Per Member of the Public, Scott Drucker, the National Association of REALTORS® has done a good job of addressing this matter. Another member of the Public inquired what the timeline is to respond to a rejected offer. Member Bowen stated the requirement is “promptly”, and one should quote the standard of practice.

VII. A vote was taken to change the next meeting from July 24, 2019 to July 17, 2019. Motion introduced by Member Bowles. Motion seconded by Member Jacobs, with all in favor. Next scheduled meeting – July 17, 2019.

VIII. Adjournment – 11:30 am

Respectfully submitted this 17th day of July, 2019
Real Estate Advisory Board

Nedra Halley, Chair